



28 September 1966

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INTELLIGENCE MEMORANDUM

DEVELOPMENTS IN SARAWAK

DIRECTORATE OF INTELLIGENCE

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CENTRAL INTELLIGENCE AGENCY Directorate of Intelligence 28 September 1966

INTELLIGENCE MEMORANDUM

Developments in Sarawak

Summary

Recent political and security developments in the Borneo state of Sarawak are weakening its government and pointing up the tenuous relationship between the several parts of the three-year-old Malaysian federation. Politically, growing tension has resulted from the central government's efforts to subordinate local elements who want greater autonomy and oppose submission to Kuala Lumpur's rule.

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Intelligence Memorandum on Developments in Sarawak

- 1. This memorandum was requested by Mr. Donald Ropa of the White House Staff.
- 2. After detailing the many difficulties facing the federal government in Sarawak, the memorandum concludes that although Kuala Lumpur may maintain its ascendancy in the short run, its long-term prospects for keeping Sarawak in the federation are not bright.

4. We believe the DCI would find the memorandum worth reading for background purposes.

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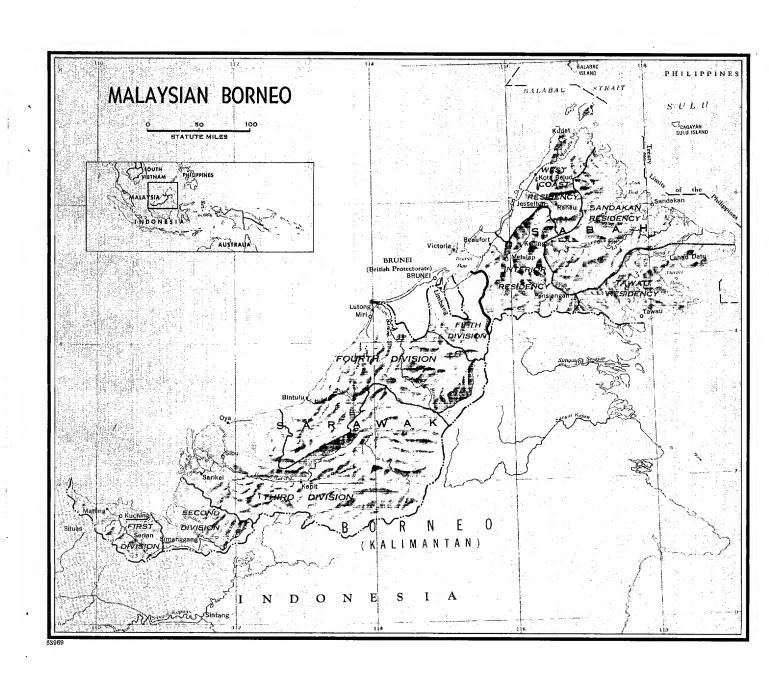
Political Situation

- 1. Current political tensions in Sarawak stem from longstanding differences between Kuala Lumpur and the recently deposed Sarawak Chief Minister, Stephen Ningkan. Ningkan, who became Chief Minister in July 1963, has often refused to accept the dictates of the ruling Alliance Party leaders in Kuala Lumpur.
- 2. Underlying these political differences is the problem of ethnic antagonism between docal tribal elements (of which the Iban is the largest) and the Malays, who make up only 18 percent of Sarawak's population but dominate the regime in Kuala Lumpur. Ningkan is an Iban and his party, the Sarawak National Party (SNAP), is almost exclusively Iban. Although SNAP was until recently a member of the Sarawak Alliance (the local adjunct of the ruling party), it has opposed the Alliance on some issues. One such issue is Kuala Lumpur's attempts to sponsor Malay as the national language, which SNAP sees as restricting the rights of the tribal groups who make up more than half of Sarawak's population.
- 3. In mid-June 1966 these differences flared into an open break, with Malaysia's Prime Minister Rahman publicly demanding that Ningkan resign because he was not doing his job "properly." Ningkan refused, contending he could be constitutionally dismissed only after a vote of no confidence in the Council Negri, Sarawak's legislative body. Anti-Ningkan elements in the Sarawak Alliance thereupon nominated two possible replacements for him, and the federally appointed governor of Sarawak named one of these, Tawi Sli, as Ningkan's successor. Tawi Sli, although also an Iban, is relatively unknown in Sarawak and is manifestly lacking in ability. He has been a responsive tool of Kuala Lumpur.
- 4. Ningkan, who was thus forced to step down but not to resign. countered by demanding an injunction by the Sarawak high court to force Tawi Sli's removal from office on constitutional grounds. On 7 September the court ruled in Ningkan's favor. During this period of political and legal confusion, however, Ningkan's legislature support was reduced

and he now lacks majority support in the Council Negri.

- 5. Ningkan, meanwhile, withdrew SNAP from the Alliance, thus openly placing himself and his supporters in opposition. Aligned with SNAP in the opposition is the almost exclusively Chinese Sarawak United People's Party (SUPP), many branches of which are Communist infiltrated. In the current political battle SUPP has supported Ningkan.
- 6. Stung by the high court's action, Kuala Lumpur declared a state of emergency on 15 September, claiming this was necessary because Sarawak was seriously endangered by Communist subversion and political instability. Actually, this action stemmed from the fact that Ningkan's reinstatement presented the Alliance with an unacceptable political situation in which it would be deprived of control of the Sarawak Government.
- 7. As a follow-up to the state-of-emergency decree, the federal Parliament on 19 September passed a bill empowering the Sarawak governor to convene the Council Negri for the purpose of removing Ningkan through a no-confidence vote. This pro forma vote was taken on 22 September and Ningkan was subsequently dismissed by the governor. Ningkan appears to have taken his ouster philosophically, stating that he and his supporters are confident of victory in general elections next year, after which he would fight for greater autonomy for Sarawak. Constitutionally, elections can be delayed as late as mid-1968, but it is generally expected that the government will be forced by political and popular pressures to hold them within a year.
- 8. Despite Ningkan's apparent acceptance of his ouster, the situation will not necessarily remain quiet until elections are held. Kuala Lumpur's interference in Sarawak's internal affairs has aroused unprecedented resentment, has greatly strengthened popular sympathy for Ningkan, and has stimulated some discussion of secession. Although Kuala Lumpur is expected to assert its authority over the short term, the long-run prospects are for increased instability.

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